NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

MEMORANDUM OF OPERATING AGREEMENT, MORTGAGE AND FINANCING STATEMENT

COUNTY OF GALVESTON

STATE OF TEXAS

WHEREAS, <u>Quicksilver Resources Inc.</u>, as Operator, and <u>T & O Service Marketing, Inc.</u>, as Non-Operator, have entered into that certain Operating Agreement dated effective on <u>June 23</u>, 2010, covering oil and gas operations being conducted on those certain oil, gas and mineral leases described in Exhibit "A" (the "Contract Area"), attached hereto and made a part hereof, as said Exhibit may be amended from time to time; and

WHEREAS, Operator and Non-Operator desire to give third parties record notice of the existence of said Operating Agreement and of the rights and obligations of Operator and Non-Operator thereunder.

NOW, THEREFORE, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Operator and Non-Operator hereby stipulate and agree as follows:

I.

The Operating Agreement is on an A.A.P.L. Form 610-1982 Model Form Operating Agreement, as amended by the parties, plus attachments.

II.

Pursuant to Article VII.B., each Non-Operator mortgages to Operator, and grants to Operator a lien upon, its oil and gas leasehold estates and "oil and gas interests", as that term is defined in Article I.C. thereof, in the Contract Area, and grants to Operator a security interest in its share of oil or gas when extracted from the Contract Area and its interest in all equipment located thereon to secure payment of its share of expense under the Operating Agreement (including costs of investigation, defense and payment of any final judgment or settlement for damages arising out of operations thereunder), together with interest thereon in accordance with the Operating Agreement, in addition to any other remedies available to Operator in law or pursuant to the Operating Agreement. Upon default by a Non-Operator in the payment of its share of expense, without prejudice to any other rights and remedies, Operator shall have the right to collect from the purchaser of production from the Contract Area the proceeds from the sale of such Non-Operator's share of oil or gas produced and sold from the Contract Area until the amount owed by Non-Operator, including interest, has been paid. Each purchaser of oil and gas produced from the Contract Area shall be entitled to rely upon Operator's written statement concerning the amount of any default. Operator grants a like mortgage, lien and security interest to the Non-Operators to secure payment of Operator's proportionate share of expense.

This Memorandum shall constitute a Financing Statement covering oil and gas extracted from the Contract Area to the extent that such oil and gas is owned by a defaulting party under the Operating Agreement. This Mortgage and Financing Statement shall be filed for record in the real estate records of any county or parish in which the Contract Area is situated and/or the Secretary of State and shall be filed by Operator upon its own motion or upon the request of any Non-Operator. Each of the undersigned Non-Operators shall be considered as both a debtor, to the extent that such party has failed to pay his or its share of expense, and as a secured party and mortgagee.

Ш.

Operator may terminate the effect of this Memorandum as to all or any portion of the Contract Area by recording a full or partial release hereof.

IV.

Any party requiring additional information concerning the rights and obligations of the parties under the Operating Agreement may contact the Operator at the following address:

OPERATOR: Attn: Crawford Gupton Quicksilver Resources Inc. 777 West Rosedale Street, Suite 300 Fort Worth, Texas 76104

Byron Dunn Quicksilver Resources, Inc. 777 W. Rosedale Street Fort Worth, TX 76104 V.

This Memorandum, Mortgage and Financing Statement may be executed in any number of counterparts, each of which shall be considered an original for all purposes and shall be binding upon the heirs, successors and assigns of the parties. The Operator is hereby authorized to compile the signature and notary pages from each of the counterparts in order to have one instrument containing signature and notarial acknowledgments of all parties for recording purposes.

IN WITNESS WHEREOF this Memorandum of Operating Agreement, Mortgage and Financing Statement is executed effective on the Thday of NON-OPERATOR:

NON-OPERATOR:

By: Cyrthia Carli Bradly

STATE OF TEXAS
COUNTY OF Three

This instrument was acknowledged before me on July 3, 20 0, by Chy Slund Possible Resources Inc. on behalf of said entity.

MIMI ELAINE KEENOM My Commission Expires March 13, 2013

Name (Print) My commission expires 3, 13, 2013

STATE OF TEXAS
COUNTY OF Great

This instrument was acknowledged before me on July 09, 20 10, by Me, the BRE-bank Asidopf BOVA Compass Bank on behalf of said entity.

Jerri L Ripley
My Commission Expires
03/29/2012

Name (Print)
My commission expires 312912012

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

QUICKSILVER RESOURCES INC 777 W ROSEDALE ST FT WORTH, TX 76104

Submitter:

QUICKSILVER RESOURCES

INC

<u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>

Filed For Registration:

7/27/2010 3:05 PM

Instrument #:

D210180962

LSE

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PGS

\$20.00

By: Byan Winlew

D210180962

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: CAMADDOCK